

## Rural Utilities Service, USDA

## § 1767.13

serves as the basis for the accounts or subaccounts in which costs are recorded.

[58 FR 59825, Nov. 10, 1993, as amended at 59 FR 66440, Dec. 27, 1994; 73 FR 30279, May 27, 2008]

### § 1767.11 Purpose.

(a) The standard form of RUS loan documents for electric borrowers requires that the borrower keep books, records, and accounts in which full and true entries will be made of all of the dealings, business and affairs of the borrower in accordance with the methods and principles of accounting of this part.

(b) This subpart implements these provisions of the RUS loan documents by prescribing the RUS USoA for electric borrowers and by providing accounting methodologies and procedures which are applicable to particular situations.

### § 1767.12 Accounting system requirements.

(a) Each Rural Development electric borrower must maintain and keep its books of accounts and all other books and records that support the entries in such books of accounts in accordance with §§ 1767.13–1767.31.

(b) Each RUS electric borrower shall maintain and keep its books of accounts and all other books and records which support the entries in such books of accounts in accordance with § 1767.41, Accounting Methods and Procedures Required of All RUS Borrowers, herein, which prescribes accounting principles to be applied to specific factual circumstances.

[58 FR 59825, Nov. 10, 1993, as amended at 73 FR 30280, May 27, 2008]

### § 1767.13 Departures from the prescribed RUS Uniform System of Accounts.

(a) No departures are to be made to the prescribed Rural Development USoA without the prior written approval of Rural Development. Requests for departures from the Rural Development USoA shall be addressed, in writing, to the Assistant Administrator, Program Accounting and Regulatory Analysis. (AA-PARA).

(b) RUS borrowers subject to the jurisdiction of a state regulatory authority with jurisdiction over rates and/or accounting for electric utilities will not:

(1) Request approval of such authority to use accounting methodologies and principles that depart from the provisions herein; or

(2) File with such authority, any documents or information, including without limitation, any filings associated with the borrower's rates, based upon accounting methods and principles inconsistent with the provisions of this part.

(c) If any state regulatory authority with jurisdiction over an RUS borrower prescribes accounting methods or principles for the borrower that are inconsistent with the provisions of this part, the borrower must immediately notify the Director, BAD, and provide such documents, information, and reports as RUS may request to evaluate the impact that such accounting methods or principles may have on the interests of RUS.

(1) If RUS determines that the accounting methods and principles do not adversely impact RUS interests, RUS will permit the borrower to use the accounting methods and principles as prescribed by the state regulatory authority to comply with the provisions of the RUS loan documents.

(2) If RUS determines that the accounting methods and principles may adversely impact RUS's interests, RUS may require that, for the purposes of complying with provisions of RUS loan documents, including, without limitation, those provisions relating to financial coverage standards (e.g. "TIER"), the borrower continue to maintain books, records, and accounts in accordance with this subpart.

(i) RUS may, however, approve requests by the borrower to maintain such additional books, records, and accounts as necessary to comply with the requirements of the state regulatory authority.

(ii) Such approval will not waive, modify or amend the requirements of the RUS loan documents or of this subpart.

(d) RUS borrowers will not implement the provisions of Statement of